

ORDINANCE NUMBER 0-18797 (NEW SERIES)
ADOPTED ON MAY 1, 2000

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE CITY MANAGER TO EXECUTE A RECOVERABLE GRANT AGREEMENT AND NOTE IN THE FINAL AMOUNT OF \$1.1 MILLION WITH THE JACOBS CENTER FOR NONPROFIT INNOVATION TO RECAPITALIZE PHASE TWO OF THE EMTEK FUND SMALL BUSINESS REVOLVING LOAN PROGRAM; AUTHORIZATION OF THIS ORDINANCE TO SUPERSEDE AND RESCIND ORDINANCE NUMBER 00-18648.

WHEREAS, the City Council on May 18, 1999, adopted a resolution authorizing the City Manager to execute a Recoverable Grant Agreement and Non-Recourse Note with the Jacobs Center for Nonprofit Innovation to recapitalize Phase Two of the EmTek Fund (small business revolving loan fund) in amounts up to \$1.25 million; and

WHEREAS, the City Manager on June 18, 1999 executed a Recoverable Grant Agreement and Note with the Jacobs Center for Nonprofit Innovation in the amount of \$1 million; and

WHEREAS, U.S. Bank subsequently committed an additional \$100,000 recoverable grant, at the same terms, to further recapitalize Phase Two of the EmTek Fund Program and that the Jacobs Center for Nonprofit Innovation has agreed to receive the bank's recoverable grant and executed documents providing a corresponding increase in its recoverable grant to the City; and

WHEREAS, given the continuing unmet capital need among smaller growth businesses

located in San Diego regions identified as economically challenged, it is in the public interest that the City Council authorize the acceptance of executed contracts in the amount of \$1.1 million as the documents of record for the Phase Two recapitalization. NOW, THEREFORE, be it ordained, by the Council of the City of San Diego, as follows:

Section 1. The City Council Authorized the City Manager to execute a Recoverable Grant Agreement and Note presented at this council meeting and on file with the City Clerk as Documents Nos. 00-18797-1 and 00-18797-2, respectively, and authorizes the City Manager, Assistant City Manager, or designee, and the City Clerk or deputy thereof, on or after the effective date hereof, for and in the name and on behalf of the City, to execute, acknowledge and deliver the Recoverable Grant Agreement and Note in connection with the recapitalization of the EmTek Fund Program.

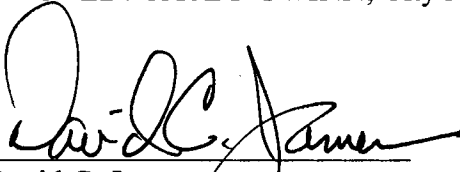
Section 2. Upon the authorization and execution of the Recoverable Grant Agreement and Note presented at this council meeting and at such time as this ordinance takes effect and is in force, the previous Recoverable Grant Agreement and Note authorized by the City Council on May 18, 1999 and subsequently executed on June 18, 1999 at the \$1 million recapitalization level and on file with the City Clerk as Documents Nos. 00-18648-1 and 00-18648-2, respectively, shall be superseded and rescinded and shall become null and void.

Section 3. The City Clerk is authorized and directed to cause a digest or a copy of this ordinance to be published at least once in the City's official newspaper within fifteen (15) days following ordinance adoption pursuant to Section 18 of the City Charter.

Section 4. A full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy to the City Council and the public.

Section 5. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: CASEY GWINN, City Attorney

By 
David C. James
Deputy City Attorney

DCJ:amp
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